

ABSTRACT

This research aims to find the effect of bank credit on economic growth in Indonesia from 2015 to 2022. The independent variables used in this research are Investment Credit, Working Capital Credit, Government Capital Expenditure, and Total Labor. Using the Error Correction Model, the results of this research show that investment and working capital credit had a positive and significant effect on economic growth. In contrast, government capital expenditure and total labor negatively and insignificantly affected economic growth.

Keywords: economic growth, bank credit, Error Correction Model (ECM)

